U.S. Debit Card

Description

The US Debit Card is a flexible payment mechanism that can be used to deliver miscellaneous, recurring or non-recurring payments to individuals, or to allow Government employees access to cash in their official duties.

The Federal Management Service (FMS), a bureau of the US Department of the Treasury, is interested in using the flexibility of this card to reduce the cost of having cash funds outside the general account. Additionally, FMS developed the program to help reduce the workload of accountants, staff, auditors, ERP (enterprise resource planning) integration, other areas of redundant process, and drivers of indirect costs.

 FMS Main Contacts:

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Overview

- U.S. Treasury sponsored program to deliver alternate disbursement options

- Simple and convenient way to issue single payments using debit card technology

- Eliminates on-site petty cash & imprest balances

- A web-based tools enabling agencies to:

  ➢ Issue cards instantly
  ➢ Activate cards and fund activity
  ➢ Track card usage (daily issuance report)

Key Features

- A robust, proprietary host platform at JPMC supports the US Debit Card

- Flexible support & card types to meet agency requirements:

  > Temporary/new employees
  > Stipends
  > Imprest funds, 3rd party draft replacement
  > Overseas access to foreign currency
  > Payment to foreign visitors
  > Petty cash
  > Vendor payments

- Web-enabled agency and cardholder management system

The U.S. Debit Card Today

Use of Card	Agency
• International Visitors	Forest Service Int'l Programs Foreign Agriculture Service
• Incentives	U.S. Census Bureau NIH Dept. of Agriculture
• Stipends	Peace Corps US Marshals (witness payments)
• Bonus	FMS FCC
• Law Enforcement	DHS BCIS/ICE
• Missions/Travel	US Southern Command (DoD): CIS (Field Office Travel) Dept. of Interior
• Misc.	FTC, IBWC, Americorp

Acceptability

- Replacement for cash and checks

- Magnetic strip card issued by commercial bank (JPMC)

- No bank account requirement

- ATM Debit or MasterCard Debit

- Access at 900,000 ATM locations & POS locations worldwide

- Major ATM networks supported

- Surcharge free ATM access at 31,000 locations (Allpoint & JPMC)

Card Programs

Cash Card – Non branded

Cash Card is designed to support instant over-the-counter issuance of single, non-recurring payment.

- ➢ Non personalized, non reloadable, non branded
- ➢ Individual card loads – funds available immediately
- ➢ Cardholder or agency owned funds
- ➢ ATM/POS access (PIN only)
- ➢ Expired certain months from card package creation
- ➢ On-site distribution
- ➢ Web activation through Agent Service Center (ASC)
- ➢ Applications: incentives, misc. purchases/petty cash, emergency disaster payments

Card Programs

Cash Card – Branded

Cash Card is designed to support instant over-the-counter issuance of single, non-recurring payment.

> ➢ MasterCard branded, non-personalized/program name required, reloadable
> ➢ Individual card loads – funds available immediately
> ➢ Cardholder or agency owned funds
> ➢ ATM/POS (PIN & signature)
> ➢ Expired certain months from card package creation
> ➢ On-site distribution
> ➢ IVR activation by cardholder
> ➢ Applications: covert operations, disaster relief, purchases/petty cash

Card Programs

Agency Card

Payment Card is designed to support recurring payments for purchases made by federal employees on behalf of government agencies.

> ➢ MasterCard branded, personalized, mailed to the cardholder
> ➢ ATM/POS (PIN & signature)
> ➢ Agency owned for recurring payments & reloadable
> ➢ Card expiration: 36 months
> ➢ MCC blocking available (optional)
> ➢ Transaction details available for audit purposes
> ➢ Agent Service Center (ASC) & standard batch enrollment
> ➢ IVR activation by cardholder
> ➢ Applications: grant awards, misc purchases, travel

Card Programs

Payment Card

Payroll Card is designed to support recurring benefit and payroll payments to banked and unbanked employees and benefit recipients.

> - Direct deposit, funds available upon receipt
> - MasterCard branded, personalized & reloadable
> - ATM/POS (PIN & signature)
> - Cardholder-owned funds & add'l card available
> - Card expiration: 36 months
> - Reg E. compliance & FDIC insurance
> - IVR activation by cardholder
> - Agent Service Center (ASC) & standard batch enrollment
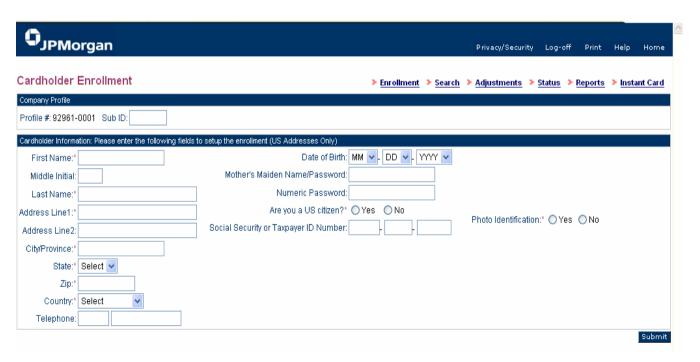> - Applications: payroll, benefit payments, reimbursement, tax refunds, misc payments

Implementation & Administration

Program Implementation → Cardholder Enrollment → Card Issuance → Account Funding → Administration & Reporting

- Implementation: typically completed in 60 – 90 days

- Cardholder enrollment: Web or batch

- Funding: ACH (similar to direct deposit) or funding account

- Administration: Profile update, credit/debit adjustment, reporting

Cardholder Enrollment

- Batch enrollment – file sent to JPMC platform

- Online via Agent Service Center (Web-based)

- Both batch and manual enrollment can be used concurrently

Card Issuance & Activation – example for Cash Card

- Card order:
  - An initial supply will be dropped shipped to a central location
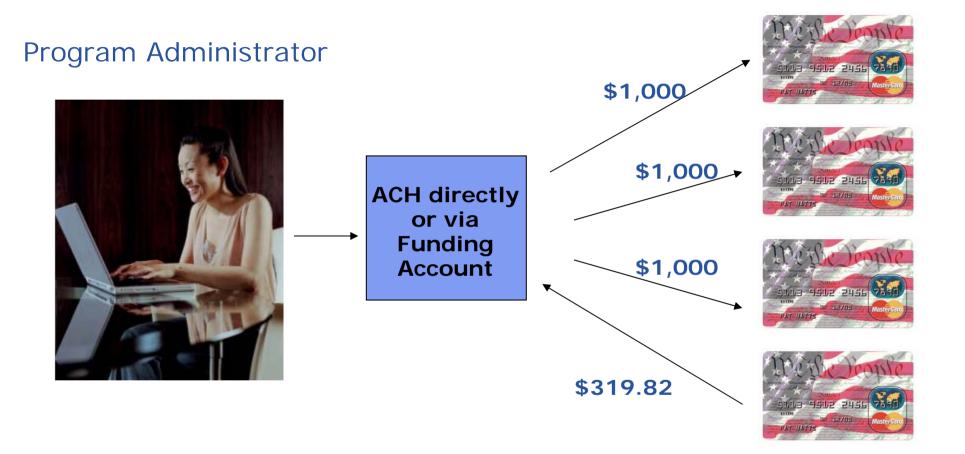
- Card package:
  - Secure window envelope
  - Training guide and PIN
  - Control number displayed through the window

- Card Activation:
  - Toll-free phone call
  - Self-select PIN
  - Self-select IVR Access Code

Funding Cardholder Activity

Program Administrator

ACH directly or via Funding Account

$1,000

$1,000

$1,000

$319.82

Administration

- Agent Service Center - http://www.asc.jpmorgan.com

- Primary Functions:
  - Enrollment
  - Account search and update
  - Credit and debit adjustment
  - Reporting

- Central Support Unit:
  - 24/7 Phone Support
  - 1-888-606-5560

Cardholder Customer Service

- "My Account" web site
  - ✓ **http://www.myaccount.chase.com**
  - ✓ Card balance
  - ✓ Recent transactions
  - ✓ Change PIN
  - ✓ Correspond with Customer Service

- Automated phone system (IVR)
  - ✓ Card balance
  - ✓ Recent transactions
  - ✓ Report lost or stolen card

Reporting – sample list for Agency Card

REPORT NAME	DESCRIPTION
Adjustment Detail Report	Shows detailed credit and debit adjustment transactions that are listed by SubID, date, adjustment type (credit & debit), adjustment amount, adjustment reason and UserID.
Adjustment Summary Report	Shows summary adjustment transactions that are listed by SubID, date, type (credit & debit), # of transactions, and total value.
Cardholder Status Activity Report	Provides a list of all cards that have had their status changed. Card statuses include "All", "Not Activated", "Activated", to name a few.
Customer Profile Report	Shows the EDA accounts profile that includes EDA account number, Cardholder's full name, SSN, and status.
Daily Transaction Report	Provides a list of accounts that reflect demographic updates such as changes of address or phone number.
Direct Deposit Data Report	Provides direct deposit information for newly enrolled cardholders sorted by date enrolled, cardholder's name, date of birth, SSN, ABA/routing number, account number and enrollment type.
Enrollment Status Report	Provides enrollment status information sorted by date, customer name, SSN, account number, UserID, and status.
Inactivity Report	Provides a list of cardholder accounts that in an "inactive" status during a user selected range.
Pending Enrollment Confirmation Report	Shows all enrollments where the confirmation paper has been received.

Q & A: Frequently Asked Questions

- **What is the role of JP Morgan Chase (Chase) in the U.S. Debit Card Program USDC)?**
    Financial Agent to the Department of the Treasury.

- **Does the agency have to sign an agreement to participate in the U.S. Debit Card program? If yes, is the agreement between the agency and the U.S. Treasury, Financial Management Service (FMS) or between the agency and JP Morgan Chase?**
    Memorandum of Understanding (MOU) between the Financial Management Service (Treasury) and Agency.

- **If the agreement is between FMS and the agency, why are the funds moved to Chase?**
    Treasury does not permit debits to its accounts. Must use a bank as intermediary.

- **Where can the recipient use the U.S. Debit Card?**
    Automated Teller Machines (ATM) and/or at Point-of-Sale (POS) terminals.

Q & A: Frequently Asked Questions

How will the agency fund the debit cards?
ACH directly to cardholders or via Funding Account at Chase.

- Once the agency funds the account with Chase, are these funds leaving the Federal Government?
No, financial agent relationship.

- When the cards are funded, is this considered a payment for Chase?
Card funding not payment for services.

- Does money in the funding account earn interest?
No, non-interest bearing account.

- How does an agency perform their accounting functions?
Expensed or Advance or Imprest Accounting.

Q & A: Frequently Asked Questions

- **Can the cardholder input their pertinent information to set up their debit card account?**

  No, Separation of Duties - fund individually or in bulk.

- **Is there a standard form that the cardholder must complete before the debit card account is set up?**

  No.